

Valuation Report

ZOTA HEALTH CARE LIMITED

CA PRIYANK DROLIA
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Gujarat
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To,

The Board of Directors,

Zota Health Care Limited

Zota House, 2/896 Hira Modi Street,

Sagrampura, Surat - 395002, Gujarat, India.

Sub: Report on recommendation of minimum price per equity share of **Zota Health Care Limited** as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Dear Sir,

I refer to my engagement letter dated 12th June 2024, whereby CA PRIYANK DROLIA, Registered Valuer - Securities or Financial Assets (hereinafter referred to as "the Valuer" or "I") has been appointed by the management of Zota Health Care Limited [CIN: L24231GJ2000PLC038352] (hereinafter referred to as "ZHCL" or "the Company") to issue a report containing recommendation of minimum price per equity share of the Company as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations").

In the following paragraphs, I have summarized my understanding of the key facts; key information relied upon, valuation approach and limitations to my scope of work.

The report is structured as under:

1. Purpose of Valuation
2. Background
3. Sources of Information
4. Valuation Approach
5. Recommendation
6. Exclusions and Scope Limitations

1. PURPOSE OF VALUATION

1.1 I understand that the Company is considering issue of Equity Shares and/or warrants on preferential allotment basis to persons belonging to Promoter Category and Non-Promoter Category.

1.2 The aforesaid issue on preferential basis will be in accordance with the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.p



1.3 In this regard, CA Priyank Drolia, Registered Valuer has been appointed by the Company to issue a report on recommendation of minimum price per Equity Share of ZHCL as on 17th June, 2024 ('Valuation Date') as per SEBI ICDR Regulations.

1.4 The Company has informed that the Relevant Date for the purpose of SEBI Regulations would be 13th June, 2024.

2. BACKGROUND

2.1 ZOTA HEALTH CARE LIMITED

2.1.1 ZHCL was incorporated on 12th July, 2000 under the erstwhile provisions of the Companies Act, 1956. The registered office of ZHCL is currently situated at Zota House, 2/896 Hira Modi Street, Sagrampura, Surat - 395002 in the State Of Gujarat.

2.1.2 The Authorised, Issued, Subscribed and Paid-up Share Capital of ZHCL as on the date of this report is as under:

Particulars	Amount in Rs.
Authorised Share Capital	
3,00,00,000 Equity Shares of Rs, 10/- each	30,00,00,000
Total	30,00,00,000
Issued, Subscribed and Paid-up Share Capital	
2,65,34,327 Equity Shares of Rs.10/- each, fully paid-up	26,53,43,270
Total	26,53,43,270

2.1.3 ZHCL was established in the year 2000 as a drug development, manufacturing and marketing company. ZHCL is an Indian pharmaceutical company offering vast range of pharmaceutical, nutraceutical and ayurvedic medicines in India as well as overseas.

2.1.4 The equity shares of ZHCL are currently listed and traded on the National Stock Exchange of India Limited ("NSE Limited" or "NSE").

3. SOURCES OF INFORMATION

For the purpose of recommendation of the minimum price per equity share of the company, I have relied upon the following sources of information:

- (a) Audited Financial Statements for the year ended 31st March 2024;
- (b) Latest shareholding pattern of the Company;
- (c) Memorandum and Articles of Association of the Company;



(d) Market prices and trading history of ZHCL;

(e) Such other information and explanations as required and which have been provided by the Management of the Company.

4. VALUATION APPROACH

4.1. As the Company is listed on NSE and has been frequently traded as per the definition provided under Chapter V - Preferential Issue of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, it is recommended that the pricing for the aforesaid issue of shares as proposed by the Company to be as per the Pricing Formula provided under Chapter V - Preferential Issue of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for frequently traded shares listed on a recognized stock exchange as on the relevant date.

4.2. MARKET APPROACH

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

The following valuation methods are commonly used under the market approach:

- a) Market Price Method;
- b) Comparable Companies Multiple (CCM) Method; and
- c) Comparable Transaction Multiple (CTM) Method;

A. Market Price Method

Under this method a valuer shall consider the traded price observed over a reasonable period while valuing assets which are traded in the active market. A valuer shall also consider the market where the trading volume of asset is the highest when such asset is traded in more than one active market. A valuer shall also consider the market where the trading volume of asset is the highest when such asset is traded in more than one active market.

The Equity Shares of Company are listed on NSE Limited (NSE) for a period of more than 90 trading days as on the relevant date i.e. June 13, 2024 and are frequently traded in accordance with SEBI ICDR Regulations.

In case of "frequently traded shares (Regulation 164(1) of the SEBI ICDR Regulations:

If the equity shares of the Company have been listed on a recognized stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:





Registered Valuer for Securities and Financial Assets

a. The 90 trading days' volume weighted average price of the related equity shares quoted on the recognized stock exchange preceding the relevant date; or

b. The 10 trading days' volume weighted average prices of the related equity shares quoted on a recognized stock exchange preceding the relevant date.

Provided that if the Articles of Association of the issuer provide for a method of determination which results in a floor price higher than that determined under these regulations, then the same shall be considered as the floor price for equity shares to be allotted pursuant to the preferential issue.

Articles of Association of the Company do not provide for any particular method of determination which results in a floor price higher than that determined under SEBI ICDR Regulations.

The Company's Equity Share are listed only at one Nationwide Stock Exchange i.e. on NSE limited and accordingly, "NSE Limited" is the Stock exchange on which the highest trading, volume in respect of the equity shares of the issuer has been recorded during 90 trading days' prior to the relevant date. According, I have determined value of equity share of **ZOTA HEALTH CARE LIMITED** as prescribed under the above regulations for market approach.

As per Regulation 166A of SEBI (ICDR) Regulations,

166A (1) Any preferential issue, which may result in a change in control or allotment of more than five per cent of the post issue fully diluted share capital of the issuer, to an allottees or to allottees acting in concert, shall require a valuation report from an independent registered valuer and consider the same for determining the price:

Provided that the floor price, in such cases, shall be higher of the floor price determined under sub-regulation (1), (2) or (4) of regulation 164, as the case may be, or the price determined under the valuation report from the independent registered valuer or the price determined in accordance with the provisions of the Articles of Association of the issuer, if applicable:

Provided further that if any proposed preferential issue is likely to result in a change in control of the issuer, the valuation report from the registered valuer shall also cover guidance on control premium, which shall be computed over and above the price determined in terms of the first proviso:

Provided further that the valuation report from the registered valuer shall be published on the website of the issuer and a reference of the same shall be made in the notice calling the general meeting of shareholders.

(2) Any preferential issue, which may result in a change in control of the issuer, shall only be made pursuant to a reasoned recommendation from a committee of independent directors of the issuer after considering all the aspects relating to the preferential issue including pricing, and the voting pattern of the said committee's meeting shall be disclosed in the notice calling the general meeting of shareholders.

Explanation -The meeting of the independent directors referred in sub-regulation (2) shall be attended by all the independent directors-on the board of the issuer.



B. Comparable Companies Multiple (CCM) Method

Comparable Companies Multiple Method, also known as Guideline Public Company Method, involves valuing an asset based on market multiples derived from prices of market comparable traded on active market. Under this method, the value of shares of the subject company is determined on the basis of multiples derived from valuations of comparable companies. Relevant multiples needs to be chosen carefully and adjusted for differences between the circumstances. The CCM Method arrives at the value of the company by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based in the principle that market valuations, taking place between informed buyers and sellers, incorporate all factors relevant to valuation.

I have considered this method for valuation of equity shares of ZOTA HEALTH CARE LIMITED. I have applied Price to Earning (P/E) and Price to Book Value (P/B) multiples for computation of fair value as detailed in Annexure B.

C. Comparable Transaction Multiple (CTM) Method

Comparable Transaction Multiple Method, also known as 'Guideline Transaction Method' involves valuing an asset based on transaction multiples derived from prices paid in transactions of asset to be valued /market comparable (comparable transactions). I have therefore not considered CTM method for valuation due to non-availability of similar comparable transaction.

4.3 INCOME APPROACH

The Discounted Cash Flow (DCF) analysis is the primary methodology used for Valuation where dependable financial projections are available, two inputs to the DCF model are cash-flows and discounting factor. Cash can flow and take any form. Since the company is going concern income approach is one of the relevant approach required to be adopted for the determination of the fair value of equity shares, same has been calculated under **Annexure C**.

4.4 NET ASSETS APPROACH

Asset approach allows recognizing financial asset/liabilities.

Through the net assets value method and therefore the cost/asset approach has been found suitable along with other two approached for the determination of the fair value of equity share of the company on the valuation date, same has been calculated under **Annexure D**.

Valuation Methodologies and Key Assumptions: -

The FMV has been arrived at by using Discounted Cash Flow method as per Income approach as follows: -

I. For determining the FMV as per discounted cash flow method, we have relied on projection of income of the company for the period starting from 1st April. 2024 to 31st March 2029 duly





supplemented by its terminal value as per Gordon Model and extrapolated the adjusted free cash flow for the last year at an annual growth rate of 6% to perpetuity.

II. The Management & Representatives of the company have envisaged the working capital & capex requirements for the projected period & Terminal year.

III. Enterprise Value of the company is arrived by adding cash and cash equivalent and current investment to the aggregate present value of the projected free cash flow to firm and the present value of terminal value.

IV. The Final Valuation of equity of the company is arrived at after making adjustments for discount due to lack of marketability.

DLOM & DLOC – Discount for lack of Marketability & Discount for lack of Control has been taken @6%. The reason is that subjected company is private limited company. The equity shares of such companies attract lower price per share due to simple reason of lack of marketability. Here we are valuing the company for determining the fair value of equity shares with nil controlling interest i.e., no investor will be investing for Controlling Interest. Therefore, we have considered DLOC from minority interest viewpoint. The median DLOM from empirical studies since 1992 in about 90% of the individual studies estimated median discounts falling within a range of 6-35%. For our analysis we assumed DLOM & DLOC to be as 6%.

VALUATION ANALYSIS:

The value per equity share of **Zota Health Care Limited** are based on the various approaches/methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potential of the business of the Companies, having regard to information base, key underlying assumptions and limitations. I have independently applied methods discussed above, as considered appropriate, i.e. comparable Companies Multiple Method and Market price method for determining value per share of **Zota Health Care Limited**.

In light of the above and on consideration of all the relevant factors and circumstance as discussed and outlined herein above referred to earlier in this report for the proposed transaction, I recommend the fair value of equity shares of Zota Health Care Limited at **INR 507.794/- (Rupees Five Hundred and Seven Rupees and Seven Ninety Four Paisa)** per equity share same has been calculated under **Annexure A**.

In terms of first Proviso to the Sub-Regulation 1 of Regulation 166A r.w. Sub-Regulation 1 of Regulation 166A and Sub-Regulation 1 of Regulation 164 of the securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and by using the Valuation Parameters, the following is the Valuation Analysis of Equity Shares of the Company.



Sr. No.	Valuation Parameters	Value per Equity Share (In Rupees)	Refer Annexure
1.	Market Price Method	507.794	ANNEXURE A
2.	Comparable Companies Multiple (CCM) Method	131.143	ANNEXURE B
3.	Income Approach	137.0448	ANNEXURE C
4.	Net Asset Value	30.26	ANNEXURE D

5. RECOMMENDATION

5.1. It is recognized that valuation of any company or assets is inherently subjective and subject to various factors; which are difficult to predict and beyond our control. Valuation exercise involves various assumptions with respect to the specific industry, general business and economic conditions; which are beyond the control of the Companies. The assumptions and analysis of market conditions, comparable, prospects of the Industry as a whole and the Company, which influence the valuation of companies are subject to change over a period of time and even differ between the values at the given point of time.

5.2. In the ultimate analysis, recommendation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. present and prospective competition, yield on comparable securities and market sentiments, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions. For example, Viscount Simon BD in Gold Coast Selection Trust Ltd. vs. Humphrey reported in 30 TC 209 (House of Lords) and quoted with approval by the

Supreme Court of India in the case reported in 1761 TR 417 as under:

'If the asset takes the form of fully paid shares, the valuation will take into account not only the terms of the agreement but a number of other factors, such as prospective yield, marketability, the general outlook for the type of business of the company which has allotted the shares, the result of a contemporary prospectus offering similar shares for subscription, the capital position of the company, so forth. There may also be an element of value in the fact that the holding of the shares gives control of the company. If the asset is difficult to value, but is nonetheless of a money value, the best valuation possible must be made. Valuation is an art, not an exact science. Mathematical certainty is not demanded, nor indeed is it possible.'



- 5.3. Due consideration is given to the above facts and circumstances and especially to the fact that the shares of the company are listed and are frequently traded on the NSE.
- 5.4. In the light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined herein above earlier in this report (including scope limitation and exclusions given below), in my opinion, it is thought fit to consider value per equity share determined as per the pricing formula mentioned in 4.2, 4.3 & 4.4 above wherein the minimum price per equity share and/or warrants of the Company as per SEBI ICDR Regulations, works out to **INR 507.794/- (Rupees Five Hundred and Seven Rupees and Seven Ninety Four Paisa)** per equity share of the face value of Rs.10/- each calculation of which has been provided as per **Annexure A** to this Report.

6. EXCLUSIONS AND SCOPE LIMITATIONS

- The report is subject to the scope limitations detailed hereinafter. As such, the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.
- No investigation of the Company's claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. Therefore, no responsibility is assumed for matters of legal nature.
- The work does not constitute certification of the historical financial statements including the working results of the Company referred to in this report. Accordingly, I am unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report. Valuation analysis and results are specific to the purpose of valuation and the valuation date mentioned in the report is as per agreed terms of the engagement. It may not be valid or used for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.
- This report is issued on the understanding that the Company has drawn my attention to all material information, which they are aware of concerning the financial position of the Company and any other matter, which may have an impact on my opinion, on the value of the equity share of the Company, including any significant changes that have taken place or are likely to take place in the financial position, subsequent to the report date. I also have no responsibility to update this report for events and circumstances occurring after the date of this report.
- This Valuation Report does not look into the business / commercial reasons behind the proposed transaction or address any potential synergies to the Company and other parties connected thereto.
- In the course of the valuation, I was provided with both written and verbal information. I have evaluated the information provided to me by the Company through broad inquiry, analysis and review. I assume no responsibility for any errors in the above information



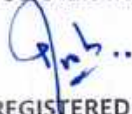
furnished by the Company and consequential impact on the present exercise. I do not express any opinion or offer any assurance regarding accuracy or completeness of any information made available to me.

- The report is not, nor should it be construed as me opining or certifying any compliance with the provisions of any law, whether in India or any other country including companies, taxation and capital market related laws or as regards any legal implications or issues arising from any transaction proposed to be contemplated based on this Report.
- The information contained herein and the report is confidential. Any person/party intending to provide finance/invest in the shares/businesses of the Company, shall do so, after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, can be done only after obtaining prior permission in writing.
- This report is prepared exclusively for the use of the Company for the purpose issue of equity shares and/or warrants on preferential basis.
- This document has been prepared solely for the purpose of assisting the Company, under consideration, in recommending the minimum price per equity share of the Company. Further, the fees for this engagement is not contingent upon the results arrived under this valuation exercise.
- By its very nature, valuation work cannot be regarded as an exact science, the conclusions arrived at in many cases will of necessity be subjective and dependent on the exercise of individual judgement. Given the same set of facts and using the same assumptions, opinion on the valuation exercise may differ due to application of the facts and assumptions, formulas used and numerous other factors. There is, therefore, no indisputable single value or standard methodology for arriving at the value per equity share. Although my conclusions are in my opinion reasonable, it is quite possible that others may not agree.
- CA Priyank Drolia, nor employees or agents or any of them; makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the report is issued. All such parties expressly disclaim any and all liability for, or based on or relating to any such information contained in the report. I am not liable to any third party in relation to issue of this report. In no event, I shall be liable for any loss, damage, cost or expense arising in any way from any acts carried out by the Company referred herein or any person connected thereto. If you require any clarifications on the above, I would be happy to clarify the same. I am thankful to your team for kind co-operation and support during this assignment.



Thanking you,

Yours faithfully,



REGISTERED VALUER - Securities or Financial Assets

IBBI Registration No. IBBI/RV/06/2020/12774

ICAI Membership No. 138328

Date: 17th June, 2024

Place: Surat



ANNEXURE A

Calculation of minimum issue price as prescribed under the SEBI
{ICDR} Regulations, 2018

Relevant Date (as informed by the Company) – 13th June, 2024

- A. Average of Weekly High & Low of the Volume Weighted Average Price (VWAP) of the equity shares of Zota Health Care Limited quoted on NSE limited during the 90 trading days preceding the relevant date. (considering relevant date as 13/06/2024)

Days	Date	VOLUME	VALUE
1	12-Jun-24	1,44,583	7,73,46,882.85
2	11-Jun-24	81,965	4,32,38,538.50
3	10-Jun-24	86,551	4,50,24,346.10
4	07-Jun-24	1,08,453	5,41,20,647.50
5	06-Jun-24	34,065	1,60,41,627.70
6	05-Jun-24	14,638	67,82,853.20
7	04-Jun-24	38,918	1,78,55,800.50
8	03-Jun-24	41,070	1,96,92,574.50



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Registered Valuer for Securities and Financial Assets

9	31-May-24	10,521	49,11,241.45
10	30-May-24	6,474	30,25,571.85
11	29-May-24	8,208	38,57,190.45
12	28-May-24	9,214	43,46,338.45
13	27-May-24	7,405	34,83,126.05
14	24-May-24	20,786	97,82,108.95
15	23-May-24	19,603	92,03,831.70
16	22-May-24	10,309	48,86,105.60
17	21-May-24	20,805	99,33,629.45
18	18-May-24	954	4,56,091.70
19	17-May-24	10,393	49,54,523.95
20	16-May-24	7,968	38,12,018.55
21	15-May-24	10,483	50,32,402.25
22	14-May-24	10,819	52,05,091.20
23	13-May-24	29,604	1,40,48,286.45
24	10-May-24	9,156	43,44,852.40
25	09-May-24	12,890	61,38,469.85
26	08-May-24	8,805	42,03,900.35
27	07-May-24	18,342	87,40,386.20
28	06-May-24	16,867	81,67,554.00
29	03-May-24	10,346	50,43,006.45
30	02-May-24	16,042	78,09,435.55
31	30-Apr-24	21,119	1,02,36,221.05
32	29-Apr-24	19,497	96,12,525.45
33	26-Apr-24	14,585	70,79,605.95
34	25-Apr-24	6,971	34,01,868.85



PRIYANK DROLIA



Registered Valuer for Securities and Financial Assets

35	24-Apr-24	10,611	52,17,509.40
36	23-Apr-24	18,170	88,50,780.00
37	22-Apr-24	6,502	31,58,153.60
38	19-Apr-24	17,611	84,60,388.70
39	18-Apr-24	8,532	41,84,204.35
40	16-Apr-24	32,759	1,61,75,924.55
41	15-Apr-24	15,350	75,17,630.90
42	12-Apr-24	41,655	2,11,72,340.60
43	10-Apr-24	27,716	1,39,92,232.05
44	09-Apr-24	24,594	1,23,15,314.30
45	08-Apr-24	32,501	1,66,61,336.15
46	05-Apr-24	22,059	1,11,63,468.25
47	04-Apr-24	26,993	1,36,57,071.45
48	03-Apr-24	57,073	2,86,82,505.85
49	02-Apr-24	20,922	1,03,22,916.70
50	01-Apr-24	21,465	1,03,33,861.05
51	28-Mar-24	23,703	1,14,66,718.30
52	27-Mar-24	23,698	1,15,41,573.20
53	26-Mar-24	14,356	68,88,414.35
54	22-Mar-24	16,681	79,60,565.10
55	21-Mar-24	14,860	69,15,757.80
56	20-Mar-24	52,186	2,36,93,788.70
57	19-Mar-24	21,902	1,02,26,443.60
58	18-Mar-24	11,163	52,91,080.75
59	15-Mar-24	10,324	49,32,106.65
60	14-Mar-24	19,481	91,99,684.50



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Registered Valuer for Securities and Financial Assets

61	13-Mar-24	39,107	1,82,53,454.45
62	12-Mar-24	65,435	3,15,65,001.65
63	11-Mar-24	46,391	2,31,56,601.95
64	07-Mar-24	9,934	50,19,569.90
65	06-Mar-24	36,350	1,82,87,159.75
66	05-Mar-24	15,378	78,07,477.35
67	04-Mar-24	26,258	1,34,60,328.65
68	02-Mar-24	11,352	59,04,525.60
69	01-Mar-24	14,497	75,83,809.45
70	29-Feb-24	28,224	1,47,35,635.55
71	28-Feb-24	40,442	2,12,96,564.35
72	27-Feb-24	57,878	3,10,04,670.15
73	26-Feb-24	1,03,210	5,57,55,567.40
74	23-Feb-24	2,87,506	15,52,61,966.75
75	22-Feb-24	19,399	96,93,835.70
76	21-Feb-24	34,382	1,72,48,483.30
77	20-Feb-24	41,664	2,04,43,048.80
78	19-Feb-24	12,098	57,52,214.65
79	16-Feb-24	11,161	53,34,582.45
80	15-Feb-24	13,880	66,12,451.10
81	14-Feb-24	6,900	32,46,732.70
82	13-Feb-24	19,790	93,24,627.75
83	12-Feb-24	44,391	2,11,48,774.50
84	09-Feb-24	14,267	69,81,592.65
85	08-Feb-24	38,333	1,91,13,200.05
86	07-Feb-24	12,987	63,43,218.80



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Registered Valuer for Securities and Financial Assets

87	06-Feb-24	27,623	1,35,11,375.35
88	05-Feb-24	16,877	83,78,816.30
89	02-Feb-24	27,210	1,35,80,659.65
90	01-Feb-24	27,962	1,40,75,992.45
Volume Weighted Average		502.128	

B. Average of Weekly High & Low of the Volume Weighted Average Price of the equity shares of Zota Health Care Limited during the 10 days preceding the Relevant Date.

Days	Date	VOLUME	VALUE
1	12-Jun-24	1,44,583	7,73,46,882.85
2	11-Jun-24	81,965	4,32,38,538.50
3	10-Jun-24	86,551	4,50,24,346.10
4	07-Jun-24	1,08,453	5,41,20,647.50
5	06-Jun-24	34,065	1,60,41,627.70
6	05-Jun-24	14,638	67,82,853.20
7	04-Jun-24	38,918	1,78,55,800.50
8	03-Jun-24	41,070	1,96,92,574.50
9	31-May-24	10,521	49,11,241.45
10	30-May-24	6,474	30,25,571.85
Volume Weighted Average		507.794	





A	Average of Weekly High & Low of the Volume Weighted Average Price of the equity shares during the 90 trading days preceding the Relevant Date (In INR per share)	502.128
B	Average of Weekly High & Low of the Volume Weighted Average Price of the equity shares during the 10 trading days preceding the Relevant Date (In INR per share)	507.794
Applicable Minimum Price (Higher of A or B)		507.794

ANNEXURE B

COMPANIES COMPARABLE MULTIPLE METHOD

Valuation of Equity Shares of ZOTA HEALTH CARE LIMITED under Companies Comparable Multiple Method

- **Price to Earnings Multiple**

Earnings per share as on 31st march 2024	1.32
Average price to earnings multiple(considered comparable peers of company)	47.46
Market price per share	62.65

- **Price to book multiple**

Book value per share as on 31st March 2024	45.978
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Registered Valuer for Securities and Financial Assets

Average price to book multiple (considered comparable peers of company)	4.34
Market price per share	199.6365

Fair value through comparable company's multiple

Comparable multiples	Fair value
Price to earnings multiple	62.65
Price to book multiple	199.6365
Average value per share	131.143

ANNEXURE C

INCOME APPROACH(DCF)

(Rs. In Crores)

F.Y	2025	2026	2027	2028	2029
PBT	(1,616.24)	(2,462.48)	(1,059.26)	8,636.59	18,910.37
LESS:- TAXES	(181.00)	(615.62)	(264.81)	2,159.15	4,727.59
PAT	(1,435.24)	(1,846.86)	(794.44)	6,477.44	14,182.78
ADD:- DEPRECIATION	49.67	54.64	60.10	66.11	72.73
LESS:- WORKING CAPITAL	(1,198.67)	(8,056.71)	(8,632.62)	(2,415.56)	(1,986.31)
LESS:- CAPEX	(1,671.00)	(6,200.00)	(6,200.00)	(200.00)	(200.00)
FREE CASH FLOW OF FIRM	(4,255.24)	(16,048.94)	(15,566.97)	3,927.99	12,069.20
TERMINAL VALUE					
PV FACTOR	0.85	0.73	0.62	0.53	0.46
PRESENT VALUE OF FCFF	(3,638.01)	(11,730.73)	(9,727.97)	2,098.59	5,512.85



PRIYANK DROLIA

Registered Valuer for Securities and Financial Assets



FAIR VALUE PER SHARE

Equity Share total Value	3,63,63,93,121
Total No of Equity Share	2,65,34,327
FMV of Equity Share	137.0448

Cost of Equity (Ke) through CAPM

$$K_e = R_f + \beta * (ERP) + K_a$$

Risk Free Rate (Rf)	6.984%
Market Return of S&P Healthcare index	12.38%
Equity Risk Premium (ERP)*	7.666%
Beta (β)	0.738
Company Specific Risk Premium	6%
Cost of Equity (Ke)	16.97%

*ERP = $R_m - R_f$

* K_a is additional risk premiums

*Growth Rate is considered is 6%





ANNEXURE D

Net Assets Based Approach

Particulars	Values(Rs.)
Net worth (Rs. in Lakhs)	8036
No. of equity shares	2,65,34,327
Face Value per shares (Rs.)	10
Fair Market Value per shares (Rs.)	30.28

